

South America? It will actually accelerate that decline. We are already running a trade deficit with Chile, and it will grow greatly under this.

And with Singapore, yes, we had a little tiny trade surplus; but it is down by 50 percent in 1 year, and like with Mexico under NAFTA, we will be running huge and growing trade deficits with Singapore.

We cannot continue to run these deficits year in year out, export American jobs year in and year out, export America's industrial manufacturing base and continue to be a great economy. We are headed toward disaster here. In fact, the percent of our GDP that we are losing with these trade deficits is now exceeding the percent that Argentina was experiencing before their economic implosion or the Asian nations before their economic implosion.

Mr. Speaker, how long will people around the world continue to lend us money to buy foreign goods and undermine our own economy? This is absolutely absurd what we are doing here, and we are going to do more of it. Only inside the Washington, D.C. beltway would people look at \$500 billion trade deficits, loss of our manufacturing base, the importation of skilled foreign workers and say this is great for our country because one or two multinational corporations that nominally are based in the United States, they probably do not pay taxes here, but still pretend they are American companies, will get a little bit under this agreement.

#### WAR IN IRAQ

The SPEAKER pro tempore. Pursuant to the order of the House of January 7, 2003, the gentleman from Indiana (Mr. PENCE) is recognized during morning hour debates for 3 minutes.

Mr. PENCE. Mr. Speaker, there is a lot of debate going on here in Washington, D.C. over our reasons for going to war in Iraq. Yesterday, I had the privilege of meeting with some men I believe we should hear more from. They were Marines injured in Operation Iraqi Freedom currently being treated at Bethesda Naval Hospital, Marines like Mark Graunke, Jr., a staff sergeant who lost his left hand, three of his fingers and his left eye and took shrapnel in removing landmines in theater on July 8 earlier this month.

What Mark told me, Congressman, I am not a hero, I was just doing my job for the good old United States of America, and it was a privilege. Then I talked to another sergeant whose name I will omit, but a man who the Navy corpsman told me may not make it. He was flanked by his mom and his dad and the mother of his two children and he looked me in the eye, with tubes coming out, and he simply said, Congressman, the only thing I worry about is that we will pull out early and we will not finish the job and it will mean all of the sacrifices we made over there were for nothing.

Then there was Michael Jones who took an RPG shell in the leg, looked me in the eye and told me he was glad the man fired at him instead of the vehicle where five of his fellow Marines were doing a search. I said, Lance Corporal Jones, are you telling me you are glad you were shot with a rocket in the leg? He said, yes, sir, I am sure it saved lives.

These are all men that know one thing that the American people know, that freedom is worth fighting for, freedom is worth dying for. It was about the freedom of the Iraqi people and securing the safety and freedom of the American people that this President moved against a brutal tyrant in Saddam Hussein, who most assuredly coddled terrorists in his 30-year reign in Iraq, and admitted to the weapons of mass destruction and used weapons of mass destruction against his own countrymen and against his neighbors.

Mr. Speaker, these brave Marines currently being treated at Bethesda Naval Hospital taught me much, reminded me of much: that freedom is worth fighting for, freedom is worth dying for, and we will stay the course until we deliver freedom to the families and children and the legacy of Iraq.

#### MEDICARE PRESCRIPTION DRUG BENEFIT

The SPEAKER pro tempore. Pursuant to the order of the House of January 7, 2003, the gentleman from New Jersey (Mr. PALLONE) is recognized during morning hour debates for 1 minute.

Mr. PALLONE. Mr. Speaker, I would like to enter into the RECORD an editorial that was in my local newspaper, the Asbury Park Press, on Sunday relative to the Medicare prescription drug issue; and I want to highlight a couple of statements that were made by that editorial.

It says, "Both Houses of Congress have passed what they describe as historic plans to extend prescription coverage to Medicare recipients. They are historic all right. They begin to chip away at one of government's most successful programs. Medicare has worked well for millions of seniors since its inception in 1966. Its administrative costs of 2 percent are far lower than those of private insurers. The notion that competition in the private marketplace will provide consumers with more choices, driving down the cost of drugs is a tired philosophy that has failed to deliver promised benefits in the areas of health care, transportation, energy and telecommunications. Providing extended coverage to their existing Medicare program would offer better benefits for less cost, be far more efficient and easier for recipients to use and be less prone to the vagaries of the marketplace, quick to abandon those that they cannot make a profit from."

[From the Asbury Park Press, July 13, 2003]

#### DRUG PLAN A PLACEBO

Both Houses of Congress have passed what they describe as historic plans to extend pre-

scription coverage to Medicare recipients. They're historic all right; they begin to chip away at one of government's most successful programs.

Rather than turning it over to HMOs and private insurers as the Republicans in Congress want to do, Medicare should be expanded to include an affordable, guaranteed prescription drug component, as Rep. Frank Pallone, D-N.J., and others prefer.

Both the Senate and House versions of the bill are fatally flawed. Even the most vocal supporters of a prescription drug benefit have expressed severe reservations about the legislation, including the American Association of Retired Persons.

Among our many concerns:

Both bills fail to adequately address the problem of skyrocketing drug prices. A study released last week found that the price of drugs most commonly used by the elderly rose more than three times the rate of inflation last year. Because co-pays and deductibles under the proposed plans are pegged to the cost of drugs, coverage will become unaffordable unless spiraling prices can be brought under control.

The co-pays and deductibles are too high and the benefits too meager. The two versions would cover an estimated one-third of the annual cost of drugs up to \$4,500 and up to two-thirds of drug bills exceeding \$12,000. The version supported by Pallone would cover 80 percent of the costs.

The House version could dismantle New Jersey's Senior Gold and Pharmaceutical Assistance for the Aged and Disabled programs and force seniors to enroll in far less generous plans run by HMOs and other private insurers. The Senate version, the lesser of two evils, would allow for the continuation of Senior Gold and PAAD.

The House bill does not guarantee coverage in areas where private firms are unwilling to write policies.

Employers are likely to reduce retiree benefits, leaving millions with less coverage than they have today. According to a Congressional Budget Office estimate, 37 percent of retirees with employer prescription drug coverage would lose it.

The substantial coverage gaps are confusing and are likely to discourage enrollment in the program.

By allowing highly subsidized private insurers to offer supplemental benefits, relatively healthy people will be drawn to private coverage, losing their choice of doctors and increasing costs to taxpayers.

Medicare has worked well for millions of seniors since its inception in 1966. Its administrative costs of 2 percent are far lower than those of private insurers. The notion that competition in the private marketplace will provide consumers with more choices, driving down the cost of drugs, is a tired philosophy that has failed to deliver promised benefits in the areas of health care, transportation, energy and telecommunications.

Providing extended coverage through the existing Medicare program would offer better benefits for less cost, be far more efficient and easier for recipients to use, and be less prone to the vagaries of a marketplace quick to abandon those it can't make a profit from.

The two bills on the table are driven more by politics than a sincere desire to give seniors the affordable, life-saving and life-enhancing drugs they deserve. Seniors and senior organizations should insist that their elected representatives hold out for a comprehensive program that offers real relief, not just a placebo.

#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair